

Zuffa Ex. 11

(ZCCX214 - Exhibit 92 to Zuffa's
Opposition to Plaintiffs' Motion for
Class Certification – Forms of UFC
Compensation)

EXHIBIT 92

Forms of UFC Compensation

Forms of UFC Compensation

Contracted For Bout Compensation		
Type of Compensation	Description	Examples
Bout Show Compensation	An athlete's compensation for participating in a bout, as set forth in his or her agreement(s) with Zuffa.	<p>Bout show compensation goes up on a win: Ex. 98 at § 6.1: Plaintiff Fitch contracted to receive \$66,000 to show and \$66,000 to win for his first bout. "If and only if Fighter is declared the winner by the first Bout by the applicable Athletic Commission, Fighter's Purse for the second Bout shall be Sixty-Nine Thousand Dollars...." The same structure of advancing pay on a previous win follows for the rest of the contract (66/66, 69/69, 72/72, 75/75).</p> <p>Same bout show compensation for all bouts under a contract regardless of prior wins: Ex. 99 at § 6.1 (\$3 million total bout payment if defending or challenging for UFC belt and \$500,000 if not challenging for UFC title); Ex. 100 at § 6.1 (\$200,000 total payment for each bout); Ex. 101 at § 6.1(a) (\$100,000 total payment for each bout).</p>
Bout Win Compensation	An athlete's compensation for winning a bout, as set forth in his or her agreement(s) with Zuffa.	Win bonus is equal to show compensation: Ex. 98 at § 6.1: "Fighter's Purse for the first Bout shall be Sixty-Six thousand Dollars (US \$66,000.00), less all permissible or required deductions. If and

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		<p>only if Fighter is declared the winner of the first Bout by the Athletic Commission, the Win Bonus for the first Bout shall be Sixty-Six Thousand Dollars (US \$66,000.00), less all permissible or required deductions.”</p> <p>Win bonus different amount than show compensation: Ex. 102 at § 6.1 (Roy Nelson received 50/50, 75/50, 100/50, 125/50, 150/50, 175/50, 200/50).</p> <p>Win bonus goes up on a win but show money does not: Ex. 103 at § 6.1 (Gegard Mousasi received 75/20, 75/25, 75/30, 75/35, 75/40, 75/45, 75/50, 75/55).</p> <p>Agreements with no win bonus. Ex. 100 at § 6.1 (\$200,000 total payment for each bout: “there is no Win Bonus pursuant to this Agreement.”); Ex. 104 at § 6.1 (show amount increasing on a win, but no win bonus provided); Ex. 101 at § 6.1(a) (\$100,000 total payment for each bout but no win bonus).</p>
Pay-Per-View (“PPV”) Payments	Payments made to certain athletes, pursuant to their agreements, based on the number of Pay-Per-View purchases made of events in which they participate.	Ex. 99 at § 6.2: Ronda Rousey’s September 2015 contract provided that she would receive \$1 for every PPV buy between 200,000 buys and 400,000 buys; \$2 for every PPV buy between 400,000

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		<p>buys and 600,000 buys; \$3 for every PPV buy between 600,000 buys and 900,000 buys; and \$4 for every PPV buy over 900,000 buys.</p> <p>Ex. 105 (Quinton Jackson receives PPV if he is a defending champion, if he is the main event, or if his first bout is UFC 186); Ex. 106 at § 6.2 (Gilbert Melendez receives PPV when challenging or defending a UFC belt); Ex. 104 at §6.3 (same for Alistair Overeem); Ex. 107 at § 6.2 (Faber receives PPV as defending champion or if he challenges TJ Dillashaw or Dominick Cruz for Bantamweight belt); Ex. 108 at § 6.2 (CM Punk receives PPV for first bout).</p> <p>Ex. 109 is a list of all athletes in the class period who received PPV payments. ZFL-2764800.</p>
Incidentals	Incidental payments made on behalf of an athlete or items provided to an athlete as part of his or her agreement/(s) with Zuffa. These include items such as transportation, lodging, meals or meal allowances, and event tickets.	<p>Quinton Jackson received incidentals of 2 rooms, 1 suite when possible, 1 business class flight, 3 economy class flights, and \$50 per diem for 3 people. (Ex. 110).</p> <p>Fabricio Werdum received incidentals of 2 rooms, 2 economy flights, 4 Bout tickets, and \$50 per diem for 2 people. (Ex. 111).</p>

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		<p>Mark Hunt received 2 hotel/motel rooms, 1 business class flight, 3 economy class flights, 8 Bout tickets located within 10 rows of the Octagon, and \$50 per diem (or meal vouchers) for 4 people. (Ex. 112 at - 371).</p> <p>For every non-championship bout, Holly Holm received 2 rooms, 2 economy class flights, \$50 per diem for 2 people, 6 tickets to each Bout (within 10 rows of the Octagon if main event), two Bout tickets for her manager within the first 4 rows, two credentials, and the opportunity to pre-sale order 100 tickets to every bout (1,000 tickets if opponent is Rousey). (Ex. 113 at § 7.1)</p>

Other Contracted For Compensation		
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Letter of Agreement (“LOA”) Payment	Payments made to athletes pursuant to a side letter to their agreements.	<p>Ex. 114 (separate LOA payment to Roy Nelson after each bout); Ex. 115 (\$300,000 LOA for Quinton Jackson signing his first Bout Agreement and an additional \$515,000 for completing his first Bout; \$750,000 for Bouts two, three, and four; and Zuffa will “locate and purchase” for Rampage a new “Dodge Challenger SRT Hellcat” vehicle); Ex. 116 (separate LOA payment for each bout while Cain Velasquez is champion and performs promotional and sponsorship activities); ZFL-0289119 (one-time LOA payment of \$50,000 to Eddie Alvarez for bout on FS1); Ex. 117 (Gilbert Melendez receives separate LOA payments based on activities he participates in).</p> <p>LOA payment in lieu of PPV payment. Ex. 78 (“The parties have specifically agreed that in exchange for increasing Fighter’s total compensation including Bout Agreement compensation from \$2,750,000 to \$3,000,000, Fighter will not be eligible for or entitled to any PPV for the UFC 141 Bout.”)</p> <p>Ex. 118 is a list of all athletes in the class period who received LOA payments. ZFL-2764800.</p>

Signing Bonus	Bonuses paid to certain athletes when they enter into an agreement with Zuffa.	Ex. 93 (Eddie Alvarez); Ex. 77 (Josh Burkman); Ex. 95 (Jon Jones); Ex. 96 (Hector Lombard); Ex. 97 (Ben Henderson).
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Discretionary Bout Compensation		
Type of Compensation	Description	Examples
Fight of the Night Bonus	Discretionary bonus for the best fight of the night – generally given to both of the athletes who compete in the best fight of the night for each event.	<p>UFC 125 on 1/1/2011: \$60,000 FOTN bonuses awarded to Frankie Edgar and Bradley Gray Maynard.</p> <p>Fox 5 (12/8/2012): \$65,000 FOTN bonuses awarded to Scott Jorgensen and John Albert; Jorgensen also received a \$65,000 SOTN bonus.</p> <p>Ex. 119 is an example of athletes who received FOTN bonuses. ZFL-2764800.</p>
Knock Out of the Night Bonus	Discretionary bonuses for the best knock out of the night – generally given to one athlete per event. This bonus was replaced with the Performance of the Night bonus after February 1, 2014.	<p>UFC 125 on 1/1/2011: \$60,000 KOTN bonus awarded to Jeremy Stephens</p> <p>UFC Fight Night 23 (1/22/2011): \$30,000 KOTN bonus awarded to Melvin Guillard</p> <p>UFC 154 (11/17/2012): \$70,000 KOTN bonus awarded to Johnny Hendricks</p>

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		Ex. 120 is an example of athletes who received KOTN bonuses. ZFL-2764800.
Submission of the Night Bonus	Discretionary bonuses for the best submission of the night – generally given to one athlete per event. This bonus was replaced with the Performance of the Night bonus after February 1, 2014.	UFC 154 (11/17/2012): \$70,000 SOTN bonus awarded to Ivan Menjivar. Fox 5 (12/8/2012): \$65,000 SOTN bonus awarded to Scott Jorgensen. Ex. 121 is an example of athletes who received SOTN bonuses. ZFL-2764800.
Performance of the Night Bonus	Discretionary bonus for the two best individual performances of the night – generally given to two athletes per event. These bonuses replaced the Knockout of the Night and Submission of the Night bonuses after February 1, 2014.	FS1 #12 (5/10/2014): \$50,000 POTN bonuses awarded to three athletes: Johnny Eduardo, Erick Silva, and Matthew Brown. UFC 189 (7/11/2015): \$50,000 POTN bonuses awarded to Conor McGregor and Thomas Guimares; McGregor also receives a \$2.11 million discretionary bonus. Ex. 122 is an example of athletes who received POTN bonuses. ZFL-2764800.
Other Discretionary Bonus	Individual bonuses paid to athletes, following a bout, at the discretion of Zuffa management. .	Ex. 123 (Brenden Schaub given \$10,000 discretionary bonus because it was a “big step up” for him and “he showed promise”); Ex. 124 (same discretionary bonus for winner and loser of bout because “incredibly brave performance by injured

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		Varner”); Ex. 125 (\$235,000 discretionary bonus paid in addition to \$150,000 LOA bonuses and \$65,000 fight of the night bonus).

Identity Rights Compensation		
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Identity Rights Show Money	Zuffa contracts for the rights to use athletes' identities in both live and replayed broadcasts of events as part of "show" payment in the athlete's Promotional and Ancillary Rights Agreement ("PAR"). Epstein 30(b)(6) Fighter Comp. Dep. 130:12-15.	<p>The PAR grants include "the unrestricted worldwide right to use, edit, disseminate, display, reproduce, print, publish and make any other uses of the name, sobriquet, voice, persona, signature, likeness and/or biography (collectively, 'Identity') of Fighter".</p> <p>Ex. 20 at § 7.3: "The Fighter's Purse and Win Bonus, together with the Incidentals . . . shall be the sole compensation due to or claimed by" fighter on account of the PAR.</p>
Video Game Payments	Some of Zuffa's athletes appear in a UFC-branded video game. Compensation for the athlete's appearance in the video game is based on telemetry data that identifies the number of times the athlete was played in the game (as selected by the video game players). Athletes who are played more receive higher compensation. Epstein 30(b)(6) Fighter Comp. Dep. <i>Id.</i> 44:18-23; <i>id.</i> at 42:11-20.	<p>Grants of video game rights can be exclusive or non-exclusive. Ex. 126 (spreadsheet of video game rights); Ex. 127 (Offering an athlete different payments based on grant of exclusive or non-exclusive right)</p> <p>In 2012, Zuffa modified the language in its PAR to allow for an athlete's exclusive grant of right to Zuffa to become non-exclusive if Zuffa had not used the athlete's identity in a video game within three years of the grant of rights. Ex. 128 § 2.3(g).</p>

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Merchandise Payments	Zuffa athletes are given the option to opt-in to a non-exclusive merchandise rights agreement that allows Zuffa to manufacture and sell merchandise with both the UFC name and marks and the athlete's name or likeness. Athletes are compensated based on a set percentage of royalty rates that Zuffa receives.	Ex. 129 § 3.1(a)-(b): Merchandise Rights Agreement with Cung Le, dated April 18, 2013, providing for Royalties equal to 15% of Gross Revenues and 30% of Gross Royalty revenues. Athletes' contracts sometimes exclude the grant of merchandise rights with regards to certain merchandise categories. Ex. 130 at § 1.3 (agreement excludes following product categories: apparel, footwear, supplements, tools, alcohol and energy drinks); Ex. 131 (carve-out to account for existing exclusive apparel sponsorship); Ex. 132 at § 1.3 (carving out product categories of beverages, hand-wraps and adhesive tape).
Sponsorship Payments	Some Zuffa sponsors have negotiated for Zuffa to aid the sponsor in: (1) identifying athletes who may be interested in appearing on behalf of a sponsor and (2) negotiating the scope of that athlete's work for the sponsor and the compensation the athlete will receive. (Mossholder 30(b)(6) Sponsors Dep. 100:9-104:8; 144:1-18.)	MetroPCS (Ex. 133 at -186): Zuffa shall provide sponsor a \$250,000 credit to fund personal endorsements with individual UFC fighters. "Sponsor and UFC to work together to select fighters and personalities and negotiate benefits to be provided by the fighter or personality to Sponsor."); Ex. 134 (Rousey MetroPCS sponsorship). Anheuser Busch (Ex. 135 at § 11) ("The parties shall mutually select the AB Athletes, which shall serve as such AB Athlete on a Contract Year-basis."

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		<p>“Payments to be made to Company under this Agreement for Athlete services shall be made by check drawn to the order of Company. Company shall be solely responsible for ensuring that Athletes look solely to Company for their compensation and benefits under this Agreement.”</p>
Athlete Outfitting Payments	<p>Under the Athlete Outfitting Policy (“AOP”), Reebok manufactures and provides Fight Kits (the clothing worn in a UFC bout) to athletes. The amount athletes are paid to wear the Fight Kits during UFC bouts is based on their tenure with the UFC.</p>	<p>Ex 136: Athletes who compete in UFC bouts are compensated as follows for complying with the AOP:</p> <p>An athlete who has competed in 1 to 5 bouts with the UFC is compensated \$2,500 per bout.</p> <p>An athlete who has competed in 6 to 10 bouts with the UFC is compensated \$5,000 per bout.</p> <p>An athlete who has competed in 11 to 15 bouts with the UFC is compensated \$10,000 per bout.</p> <p>An athlete who has competed in 16 to 20 bouts with the UFC is compensated \$15,000 per bout.</p> <p>An athlete who has competed in 21 or more bouts with the UFC is compensated \$20,000 per bout.</p>

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Identity Rights Compensation		
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		<p>A title challenger is compensated \$30,000 per bout.</p> <p>A champion is compensated \$40,000 per bout.</p>